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## **State Employee Health Plan Announces Change in Pharmacy Benefit** *CVS Caremark Drops Walgreens from Its Network*

(TOPEKA) – Effective July 9, 2010, members of the Kansas State Employee Health Plan (SEHP) who participate in the pharmacy program and currently have their prescriptions filled through a Walgreens pharmacy will need to select a different pharmacy if they want to continue receiving the plan’s network discounts.

CVS Caremark, the pharmacy benefit manager vendor for the SEHP, announced today its intention to drop Walgreen’s from its network of providers, effective July 9. That followed an announcement from Walgreens on Monday that it would no longer participate in CVS contracts that are issued after July 7.

“This is a dispute involving competition between the pharmacy benefit manager and another large, national retail chain, and it isn’t limited to the state of Kansas,” said Doug Farmer, deputy director of the Kansas Health Policy Authority and SEHP director. “We recognize this will be a disruption for our members, and we are working on plans to minimize that disruption. Our initial review shows that SEHP members who currently get their prescriptions filled at a Walgreen’s will still have access to another in-network pharmacy nearby. In any area where there’s a Walgreens pharmacy, there is also another pharmacy that will still be part of the network.”

In addition, Farmer noted, CVS is preparing letters for plan members who have filled a prescription at a Walgreens pharmacy within the last three months. The letter will include instructions for transferring prescriptions to a participating pharmacy in the CVS Caremark retail network. It will also include a list of three in-network pharmacies nearest to the plan members’ homes.

Plan members may also locate in-network retail pharmacy locations through a zip code search using the “Find a Local Pharmacy” feature on [www.Caremark.com](http://www.Caremark.com).

In 2009, Walgreens pharmacies filled about 24 percent of all the prescriptions written for SEHP members. The plan currently provides coverage to about 100,000 individuals, including state employees and their dependents, employees of certain non-state governmental units and retired employees who elect to continue their state coverage after retirement.

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